

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF VALLEY GAS, INC.)	
FOR AN ADJUSTMENT OF RATES PURSUANT)	
TO THE ALTERNATIVE RATE FILING)	CASE NO. 92-407
PROCEDURE FOR SMALL UTILITIES)	

O R D E R

On September 18, 1992, Valley Gas, Inc. ("Valley Gas") filed with the Commission a letter advising the Commission of its intent to file a rate application and requesting that it be permitted to file the application pursuant to 807 KAR 5:076. Valley Gas further states that it was previously granted permission to use the alternative rate filing procedure in its last rate case.¹ 807 KAR 5:076 applies to utilities with 400 or fewer customers, or \$200,000 or less of gross annual revenues. Valley Gas does not meet the minimum requirements for using this procedure in that it has in excess of 400 customers and \$200,000 in annual revenues.

Valley Gas has 490 customers and annual revenues of \$244,000. Valley Gas has 1990 and 1991 Annual Reports on file with the Commission as required by 807 KAR 5:076 and use of the alternative rate filing procedure is feasible for this utility. Valley Gas, in all other respects, substantially meets the requirements for the alternative filing procedure. Therefore, the Commission finds

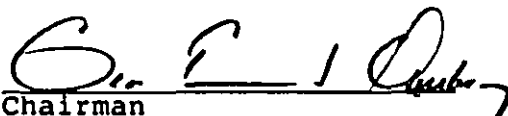
¹ Case No. 89-103, The Application of Valley Gas, Inc. for a Rate Adjustment Pursuant to the Alternative Rate Filing Procedure for Small Utilities.

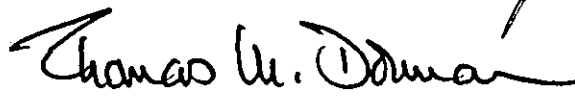
that good cause exists to grant the deviation and Valley Gas should be allowed to use the alternative rate filing procedure for small utilities.

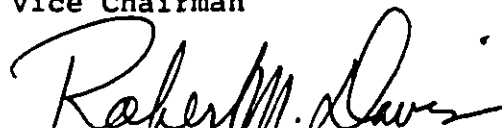
IT IS THEREFORE ORDERED that Valley Gas's request for a deviation from the requirements of 807 KAR 5:076 is hereby granted.

Done at Frankfort, Kentucky, this 1st day of October, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director